

**JUVENILE CRIME ENFORCEMENT &
ACCOUNTABILITY CHALLENGE GRANT I & II
AUDIT DOCUMENTATION CHECKLIST**

County Name: _____

Chief Probation Officer: _____

Grant Contract No.: _____

Grant Contract Period: _____

Project Name: _____

Grant Contract Amount: _____

Project Manager: _____

Project Financial Officer: _____

Project Contact Person: _____

Checklist completed by: _____ Date: _____

The purpose of this checklist is to assist counties in determining if they are maintaining an adequate audit trail. The checklist is based on the following: (1) generally accepted auditing standards, (2) *Government Auditing Standards*, and (3) *Juvenile Crime Enforcement and Accountability Challenge Grant Audit Guides for (Challenge I and II)*.

Because each contract is slightly different, this checklist is merely a guide that covers general audit areas. All questions in the checklist have been designed to show a “YES” or “N/A” for favorable responses. **(Reminder: All “N/A” responses require an explanation.)** If additional space is needed for explanations, use the space under “N – Comments/Explanations.” All “NO” responses identify situations that require research or clarification since the audit trail or records could be improved upon. However, judgment should be used in answering each question since each audit trail is different. Overall, documentation shall be maintained in such detail so as to provide an audit trail that will permit tracing transactions from the invoices to the financial statements, to the accounting records, and to the supporting documentation.

COMMON AUDIT FINDINGS

1. Inadequate supporting documentation for match claimed (salaries and office space)
2. Inadequate supporting documentation maintained by County or subcontractors
3. Lack of Budget/Program modifications
4. Omission of required language in contracts.
5. Late submittal of Quarterly Invoices or Semi-Annual Progress Reports

References:

Juvenile Crime Enforcement and Accountability Challenge Grant Contract Administration Policy and Procedures Manual for Counties, (August 1997, August 1999, and May 2001 respectively)

Juvenile Crime Enforcement and Accountability Challenge Grant Audit Guide (February 1998, August 1999, and May 2001 respectively)

A. INTERNAL CONTROLS	Yes	No
1. Does the County have an organizational chart for each department involved with the grant?		
a. Accounting Department?	_____	_____
b. Auditor-Controller's Department?	_____	_____
c. Sheriff's Department?	_____	_____
d. Probation Department?	_____	_____
e. Other?	_____	_____
2. Has the County determined adequate separation of duties exist among the Accounting, Auditor-Controller's, Probation, and Sheriff's Departments?	_____	_____
a. Are transactions received, approved, and posted by more than one employee for any one transaction? (Separation of duties issue – no more than one employee many perform any of the above tasks.)	_____	_____
3. Does the County maintain duty statements for all employees involved with the grant?	_____	_____
4. Does the County maintain written internal control procedures and flowcharts for the following procedures:		
a. Grant Contract receipts and deposits?	_____	_____
b. Grant Contract disbursements?	_____	_____
c. Board invoices, including methodology of computing amount billed to Board?	_____	_____
5. Does the County have audit reports covering the County's internal control structure within the last two years?	_____	_____
a. Have the findings (if applicable) been reviewed to ensure they are not related to the grant?	_____	_____

B. GRANT CONTRACTS	Yes	No
1. Does the County have the original grant contract between the County and the Board?	_____	_____
2. Does the County ensure that staff involved with the grant read the grant contract between the County and the Board?	_____	_____
3. Does the staff involved with the grant keep a copy of the grant contract as a reference?	_____	_____
4. Did the County submit any grant contract amendments to the Board?	_____	_____
a. If so, does the County maintain copies of the grant contract amendments and adequate supporting documentation for the reason a grant contract amendment was requested?	_____	_____

B. GRANT CONTRACTS (continued)	Yes	No
5. Did the County submit any budget modifications?	_____	_____
a. If not, did the County incur any substantial changes – those items affecting the design or scope, compliance, changes to budget line items greater than 10%, or significant program components that would require a budget modification?	_____	_____
b. Has the County incurred any minor changes – those items affecting changes in personnel, dates and times of service delivery or changes to budget line items less than 10%?	_____	_____
c. If so, does the County submit the minor change modifications with the next regularly scheduled financial invoice (not required to be pre-approved by Board)?	_____	_____
d. Does the County maintain copies of the budget modifications and adequate supporting documentation to support budget modifications?	_____	_____
6. Does the County maintain or have access to the original subcontractor contracts properly executed by the appropriate parties?	_____	_____
7. Upon awarding a grant contract to a public or private contractor, does the County advise the Board of the award and supply a copy of the contract and any such information and documentation relevant to the project as requested by the Board?	_____	_____
8. Do the subcontractor contracts contain the required language (Refer to Exhibit A of grant contract)?		
a. Maintenance of books and records?	_____	_____
b. Access to books and records?	_____	_____
c. Non-Discrimination clause?	_____	_____
d. Access to project staff and facilities?	_____	_____
e. Applicable Insurance (fire, worker's compensation, and liability)?	_____	_____

C. ACCOUNTING RECORDS	Yes	No
1. Does the County have an official project file that includes ALL the documents and correspondence related to the grant?	_____	_____
2. Has the County established separate accounts to record funds received by the County that clearly identifies they are for the grant?	_____	_____
3. Is the County required to have a Federal Single Audit conducted?	_____	_____
a. If so, does the County have copies of the Federal Single Audit Report for the last two fiscal years?	_____	_____
b. Have the findings (if applicable) been reviewed to ensure they are not related to the grant?	_____	_____

C. ACCOUNTING RECORDS (continued)	Yes	No
4. Does the County maintain a project costing system or a system that tracks all the receipts and disbursements related to a specific grant?	_____	_____
a. If so, is the system's monthly printout reviewed by program (grant) staff?	_____	_____
b. Are discrepancies (if any) investigated and resolved?	_____	_____

D. INVOICES	Yes	No
1. Does the County have copies of the reimbursement requests forwarded to the Board?	_____	_____
2. Does the County maintain adequate supporting documentation for all disbursements claimed on the Board invoices, such as vendor invoices or payroll reports and timesheets?	_____	_____
a. Can the supporting documentation be easily tied back to the Board invoices? (Are vendor invoices coded/identified by line item?)	_____	_____
b. Does each line item from the Board invoice have a supporting calculation? (Is it determinable how the number was calculated?)	_____	_____
<i>NOTE: Budget line items will be randomly selected from invoices and tested at each respective section.</i>		
3. Does the County submit quarterly financial invoices within 45 calendar days after the end of the fiscal quarter?	_____	_____
a. Are the quarterly fiscal invoices properly authorized?	_____	_____
b. Is the County requesting reimbursement for only eligible project costs? (Refer to audit guide or grant contract for eligible project costs)	_____	_____
4. Does the County submit semi-annual progress reports according to the schedule in the grant contract (every February 15 and August 15 through the life of the grant contract)?	_____	_____

E. CASH DOCUMENTS	Yes	No
1. Does the County maintain receipts documenting payments received from the Board?	_____	_____
2. Does the County maintain deposit slips to document deposit of the payments received from the Board?	_____	_____
3. Does the County deposit Board payments timely (within a week)?	_____	_____
4. Can the County provide cancelled checks or disbursement documents documenting the payments made to the vendors or employees?	_____	_____
5. Can the County provide bank statements documenting the deposit of the receipts from the Board and the vendor disbursements clearing the bank?	_____	_____

E. CASH DOCUMENTS (continued)	Yes	No
6. Can the County provide general ledgers documenting the entries for cash receipts and cash disbursements?	_____	_____

F. HARD/IN-KIND RECORDS	Yes	No
1. Is the County expending match funds for only eligible project costs? (Refer to the grant contract or audit guide for list of eligible project costs.)	_____	_____
2. Is the County expending match funds according to the schedule in the contract (33% by June 30 of each year for a three-year contract or 25% for a four-year contract)?	_____	_____
3. Does the County maintain adequate documentation to support match expenditures claimed on the Board invoices, such as vendor invoices or payroll reports and timesheets?	_____	_____
a. Can the supporting match documents be easily tied back to the Board invoices? (Are vendor invoices coded/identified by line item?)	_____	_____
b. Does each match line item from the Board invoice have supporting calculation? (Is it determinable how the number was calculated?)	_____	_____
4. Does the County maintain separate files/records for match funds?	_____	_____
a. If so, does the County files/records for the match tie back to the Board invoices?	_____	_____
5. State grant funds and matching funds can only be claimed for activities that occur on or after the Board's grant award date. If applicable, has the County ensured they have not used match funds they expended prior to the start of the grant contract?	_____	_____
6. Match funds cannot be derived from the State of California General Funds or programs supported by those funds. If applicable, has the County ensured they have not used General Funds as match?	_____	_____
7. Does the County verify that match funds are not also claimed/reimbursed under another separate contract or grant? (Is double reimbursement of expenditures avoided?)	_____	_____

G. SALARIES AND BENEFITS	Yes	No
1. Does the County maintain payroll records for county staff involved with the JCE&ACG Contract?	_____	_____
a. Official timesheets for grant-related employees (full-time and part-time)?	_____	_____
b. Salary Rates per Personnel records for grant-related employees (full-time and part-time)?	_____	_____

G. SALARIES AND BENEFITS (continued)	Yes	No
c. Time allocation for part-time employees - actual hours worked (i.e., time logs)? (Reminder: estimates and approximate percentages are not acceptable for salaries.)	_____	_____
2. If the benefits amount is based on an allocation percentage of actual hours worked (salary calculation), is the benefits amount reasonable?	_____	_____
3. Can the supporting payroll and benefits records be easily tied back to the salaries and benefits line item on the Board invoices? (Is it determinable how the number was calculated?)	_____	_____
a. Randomly select an invoice and agree salaries and benefit amount billed to supporting documentation. Does amount agree with amount invoiced?	_____	_____
4. If employees authorized to work on contract is amended, are the employee revisions necessary for the direct delivery of services associated with the program?	_____	_____
5. Does the County verify that salaries and benefits are not also claimed/reimbursed under another separate contract or grant? (Is double reimbursement of expenditures avoided?)	_____	_____
H. SERVICES AND SUPPLIES	Yes	No
1. Does the County maintain copies of approved purchase orders or approved expenditure requests?	_____	_____
2. Does the County maintain adequate proof of receipt, vendor invoices, or signed receipts?	_____	_____
3. Can the supporting service and supplies records be easily tied back to the line item on the Board invoices? (Is it determinable how the number was calculated?)	_____	_____
a. Randomly select an invoice and agree services and supplies amount billed to supporting documentation. Does amount agree with amount invoiced?	_____	_____
4. Does the County verify that services and supplies are not also claimed/reimbursed under another separate contract or grant? (Is double reimbursement of expenditures avoided?)	_____	_____
I. TRAVEL/PER DIEM	Yes	No
1. Does the County maintain County Travel Policies in accordance with state grant contract guidelines?	_____	_____
2. Does the County maintain current Per Diem rates in accordance with state grant contract guidelines?	_____	_____

I. TRAVEL/PER DIEM (continued)	Yes	No
3. Does the County maintain documentation to support purpose and cost of travel associated with program? (Applies to both reimbursable costs and match costs.)	_____	_____
4. Does the County ensure they are requesting reimbursement for only in-state travel?	_____	_____
5. Can the supporting travel/per diem records be easily tied back to the line item on the Board invoices? (Is it determinable how the number was calculated?)	_____	_____
a. Randomly select an invoice and agree travel/per diem amount billed to supporting documentation. Does amount agree with amount invoiced?	_____	_____
6. Does the County verify that travel/per diem is not also claimed/reimbursed under another separate contract or grant? (Is double reimbursement of expenditures avoided?)	_____	_____

J. PROFESSIONAL SERVICES	Yes	No
1. Does the County verify that the rates charged comply with the contract?	_____	_____
2. Does the County maintain evidence that the services were provided?	_____	_____
3. Can the supporting professional services records be easily tied back to the line item on the Board invoices? (Is it determinable how the number was calculated?)	_____	_____
a. Randomly select an invoice and agree professional services amount billed to supporting documentation. Does amount agree with amount invoiced?	_____	_____
4. Does the County verify that professional services are not also claimed/reimbursed under another separate contract or grant? (Is double reimbursement of expenditures avoided?)	_____	_____

K. COMMUNITY-BASED ORGANIZATIONS	Yes	No
1. Does the County maintain an approved contract with the Community Based Organizations (CBOs)?	_____	_____
2. Do the rates charged by the CBO comply with the contract terms?	_____	_____
3. Does the County maintain evidence that the services were provided by the third party (CBO)?	_____	_____
4. Can the supporting CBO records be tied back to the line item on the Board invoices? (Is it determinable how the number was calculated?)	_____	_____

K. COMMUNITY-BASED ORGANIZATIONS (continued)	Yes	No
a. Randomly select an invoice and agree CBO charges billed to supporting documentation. Does amount agree with amount invoiced?		
<i>Note: The BOC contract does not require that CBOs provide the County copies of its supporting documentation. However, County is liable if proper documentation is not maintained.</i>		
5. Does the County verify that CBO charges are not also claimed/reimbursed under another separate contract or grant? (Is double reimbursement of expenditures avoided?)		

L. ADMINISTRATIVE OVERHEAD	Yes	No
1. Does the County maintain supporting documentation or the calculation overview for the administrative overhead line item?		
2. If the supporting documentation is based on the allocation method, is the amount reasonable?		
3. Is the administrative overhead percentage limited to 10% of the state grant award?		
a. If the County does not claim state funds as administrative overhead, do they claim it as match?		
<i>Note: County is allowed to claim excess overhead greater than 10% as match. However, the match amounts should still be in accordance with the budget line items and be properly documented.</i>		

M. FIXED ASSETS	Yes	No
1. Does the County maintain an inventory system that tracks the fixed assets purchased with state funds?		
2. Are County fixed assets purchased necessary for the delivery of services directly associated with the program?		
3. Are the fixed assets purchased with state funds clearly labeled as state assets? (At the end of contract, the state may request the assets to be returned.)		
4. Are the fixed assets safeguarded from loss or theft?		
5. Have fixed assets in an amount over \$1,000 purchased with state funds been approved by the Board?		
a. If so, has the approval for fixed asset purchases been documented and retained by the County?		

N. COMMENTS/EXPLANATIONS
